

SECTION 6.20 WORKERS' COMPENSATION

Last Update: 6/12

Workers' Compensation is a mandated benefit that provides medical and lost time benefits for employees injured in the course of and arising out of their employment. These benefits may include:

- Payment of wage replacement benefits beginning the fourth day off work (excluding the day of injury).
- Payment of medical bills.

In addition, state employees can elect to supplement their temporary disability benefits with sick leave, vacation, or compensatory time.

6.20.01 Roles and Responsibilities

The Iowa Department of Administrative Services – Human Resources Enterprise (DAS-HRE) administers the Workers' Compensation program for state employees. The day-to-day claims management is provided by a third party administrator, Sedgwick Claims Management Services (SCMS). SCMS has a claims office in the Des Moines area (Clive). The respective roles of DAS-HRE, SCMS and the Employing Agency are as follow:

DAS-HRE

Its primary role is program oversight, including financial management, legal management, and loss prevention and control services. DAS-HRE is responsible for ensuring that the program meets regulatory requirements, assessments to the employing departments for premiums to fund the program, and facilitate informational needs of the agencies. DAS-HRE is represented by the Office of the Attorney General on litigated claims.

SCMS

SCMS is responsible for claims intake, evaluation, authorization of medical care, and payment of benefits to claimants. They will be in frequent contact with the injured worker, the employers' designated representatives, and the treating physician (three-point contact).

The Employing Agency

The Departments are requested to help in the process by:

- Establishing policies and procedures that encourage prompt and accurate reporting of all accidents and illnesses alleged to be work-related, regardless of fault or suspicion.
- Working directly with the Sedgwick CMS claims adjudicator assigned to the department to provide and request information about the claim to assure that return to work and payroll needs are met.
- Developing, maintaining, and communicating agency early return to work policies and procedures with own employees and Sedgwick CMS.
- Providing for restricted duty work assignments.

6.20.02 Filing Claims

The time to file a First Report of Injury is when the employer first becomes aware of the injury or illness, and reasonably believes that the injury or illness is work-related. It is the goal to report all injuries that require medical treatment within 24 hours of knowledge of the accident. The consequences of delayed reporting include:

- Delay in the delivery of benefits to the employee, which can cause financial hardship.
- Medical Care may not be initiated early or appropriately, which can affect the medical outcome of the claim, prolonging and/or increasing the disability.

- The cost of the claim will be higher.
- The potential for penalty fees

The normal method of notification is by completing an online version of the First Report of Injury (e-FROI) or Illness (IAIABC FORM 1.2, 12/98) through the Sedgwick SCMS "ViaOne Intake" web-based system. The "ViaOne Intake" system can be accessed by going to <https://sedgwickcms.claimcapture.com/>. In order to utilize this site please request access thru Sedgwick CMS by contacting Sheila Grech at sheila.grech@sedgwickcms.com or 515-327-4880. Sedgwick CMS will provide usage instructions and offer a webinar training session to facilitate your understanding of this electronic reporting system. If you have already been provided a username and password you can simply logon to <https://sedgwickcms.claimcapture.com/>. This system will populate most of the information you will need to provide and will prompt you with whatever else needs to be entered into a given field.

It is most effective if the employee and the employee's supervisor both provide input on the claim. Fill out the e-FROI as completely as possible. It is especially important that the following information be provided:

- Employee name, social security number, and home address
- Date and time of the incident
- Accident description (how, where, why)
- Type of injury (cut, scrape, sprain, etc.)
- Exact part of body injured
- Name and address of physician or hospital
- Work status (did employee return to work?)

6.20.03 Investigations

Sedgwick CMS will evaluate the claim to establish its compensable status (accepted or denied) based upon information forwarded and/or resulting from an additional investigation. Areas evaluated include:

- Presence of an employer/employee relationship at time of incident
- Work-relatedness of the injury
- Past medical treatment or claims for the same condition
- Fraud

If the employer is suspicious about the claim, this should be communicated to SCMS. It is not the employer's responsibility to investigate workers' compensation fraud.

6.20.04 Disputes

The filing of a first report is neither a guarantee of benefits, nor an admission of liability on the part of the employer. Sedgwick CMS will evaluate and investigate as needed to decide if a claim is compensable according to the Workers' Compensation laws of the State of Iowa. Claimants will receive a letter of denial when claims are rejected. This letter provides the reason for the denial, the appeal rights, and can serve as notice to the employee's insurance carrier as evidence that the condition will not be covered by workers' compensation.

If the employee is not satisfied with the decision, the Division of Workers' Compensation of the Department of Workforce Development, 1000 E. Grand Avenue, Des Moines, 50319 is the regulatory agency that administers and enforces the workers' compensation laws of Iowa. Their phone number is 515-281-5387.

6.20.05 Medical Care

Sedgwick CMS will be responsible for the direction of medical care as allowed under Iowa Code 85.27 for work-related injuries. Sedgwick CMS provides agencies a list of preferred providers for initial evaluation and treatment of injuries. Subsequent care will be coordinated by Sedgwick CMS. Sedgwick CMS will work with

the injured employee and the employee's medical provider to obtain information and maintain proper communication and control. The employee has the responsibility to present documentation from the provider supporting absence from work, return to restricted duty, or release to full duty. Sedgwick CMS should be contacted in all cases where this information is not presented or where clarification is needed.

Requests for alternate medical care and reports of missed medical appointments must be reported to Sedgwick CMS. Employees who change medical providers without the authorization of Sedgwick CMS, or fail to comply with appointments, physical therapy, or other aspects of medical treatment risk a suspension of lost time benefits. Sedgwick CMS will be responsible for informing the employee of such decisions and the employee's right of appeal, as required.

Contact the Sedgwick CMS claims representative assigned to your agency for further clarification and assistance.

6.20.06 Emergencies

In all cases, if a life-threatening situation arises, access the emergency 911 system to get immediate help. If it appears that the situation might be work-related, contact Sedgwick CMS as soon as possible **after emergency help has been summoned**. If the situation occurs after normal working hours, contact the After Hour New Report Call Center (1-866-222-8768). This is a toll-free number.

6.20.07 Waiting Period and Healing Period

Employees injured on the job may or may not be able to return to work. If the medical provider determines that the employee must remain off work due to the injury, healing period (HP), benefits will be paid beginning on the fourth day of disability until a return to full or restricted duty has occurred.

A three-day waiting period for the commencement of benefits is required under Iowa law. This period commences on the first full day of disability following the date of injury. The date of injury does not count as waiting period, but scheduled days off work after the injury will count if the employee is incapacitated from working (as determined by the authorized medical provider). The employee may use sick leave, vacation, or other accrued leave for the compensation of lost time during regularly scheduled workdays falling within the waiting period. The agency should compensate the employee at full pay for time not worked on the day of and after the time of the injury.

The waiting period will be picked up by workers' compensation after 14 days of disability (unless otherwise stipulated by collective bargaining agreements). The final determination on return to work issues is based upon the approval of the treating physician to allow the injured employee to perform tasks or jobs that the employer has identified as being available, either the same job or special assignment. The treating physician may also return the employee back to work part time on a temporary basis, known as temporary partial disability (TPD). In this situation, the employee will be paid their workers' compensation rate for hours not worked.

6.20.08 Time Lost for Medical Appointments

Once the employee has returned to work (restricted or full duty) after sustaining a work-related injury, and requires additional medical appointments, time lost from scheduled work for these appointments will be paid at the regular rate of pay, subject to normal and customary payroll deductions. These payments are not considered weekly benefits and will be paid by the employing agency through normal payroll as regular work time pay and not sick or vacation time.

6.20.09 Maximum Point of Recovery

The employer needs to be aware of when the "Maximum Point of Recovery" has been reached. This information is available from Sedgwick CMS. Once the maximum point of recovery has been reached, the employee may be eligible for permanent partial disability benefits (PPD).

The key issue to be addressed at this time is whether the employee will be able to perform the essential functions of his/her previous position. The employer may need to address this question in writing directly to the physician.

Note: Disability as defined under workers' compensation may not meet the same definition as the "Americans With Disabilities Act" (ADA). However, it is also possible for a work-related injury to be a disability, as defined under ADA. If so, provisions of the ADA, including identification of the essential functions of the position and reasonable accommodation, will apply.

6.20.10 Managing Return to Work

DAS-HRE administrative rule 11-59.3(5) provides that agencies shall provide restricted duty work assignments without change to an employee's class and regular rate of pay for employees who have a medical release to return to restricted duty following a job-related illness or injury. This is a benefit to both the injured worker and the agency. Recovery from a job-related injury can be enhanced by providing the injured employee positive work activities. This program is not available to temporary and probationary employees. Restricted duty is not intended as an accommodation for permanent restrictions. The employee should be asked to request reasonable accommodations at the point the restrictions become permanent.

To make a restricted duty program successful, the department must:

- Notify employees of the restricted duty program and the expectation to participate.
- Develop and maintain job descriptions that include the physical demands of the job.
- Identify tasks suitable for restricted duty, including physical demands that are consistent with knowledge, ability, and skills, to establish restricted duty suitable for the employee.
- Inform employees that refusal to accept a temporary restricted duty assignment may result in the loss of workers' compensation benefits.

Providing restricted duty requires:

- A Patient Status Report completed by the treating physician, outlining the physical restrictions that an employee must adhere to upon return to work in a restricted duty assignment.
- Placing the employee in a restricted duty assignment consistent with the information provided by the physician on the Patient Status Report.
- Tracking of the duration of restricted duty. Under Federal Occupational Health and Safety Administration (OSHA) recordkeeping guidelines, all restricted duty time worked must be logged on the OSHA 200 log. See the Occupational Safety and Health Standards for General Industry (29CFR, part 1904).

The DAS-HRE rule 11 59.3(5) provides that an appointing authority shall provide restricted duty work assignments. The original period of restricted duty shall be the hourly equivalent of 20 workdays (pro-rated for part-time employees), or until the employee is medically released to full duty, whichever is less. However, extensions may be granted. The most important factor is the treating physician's view of anticipated medical improvement.

6.20.11 Supplementing Workers' Compensation Benefits

An employee may elect to use available sick leave, vacation and/or compensatory leave to supplement workers' compensation benefits at any time during the period benefits are received. Once the employee has elected to receive supplementary payments, the supplement shall continue until the leave(s) selected is exhausted or the employee is no longer eligible for workers' compensation benefits, whichever comes first. If the employee is covered by FMLA, is eligible to retain vacation leave under the FMLA policy, and has elected to retain vacation leave under the FMLA, the leave may be retained until such time as the employee's FMLA is exhausted. After FMLA leave is exhausted, the employee will be required to resume supplementary

payments and use the previously retained vacation time, provided that the employee has elected to use vacation time on the Workers' Compensation Benefit Election Form.

When more than three days have been missed, a Benefit of Election form must be filled out and provided to the Liaison, who will inform Sedgwick CMS of their choice. The first three days missed from work are paid from sick leave. A copy of this document must be sent to the employee as a verification of their selection.

Employees may elect not to supplement initially and supplement later on. However, once a decision to supplement has been made, an employee must supplement until the selected paid leave is depleted.

Note: For employees covered under the State Police Officers Council (SPOC) collective bargaining agreement, special provisions under that agreement apply.

The State's share for health insurance coverage will be paid for employees who supplement workers' compensation benefits with sick leave, vacation, or compensatory leave until all paid leave is exhausted, plus coverage for an additional four months.

The State's share for health insurance coverage will be paid for four months for employees who do not elect to supplement benefits. The employee must submit a personal check for the employee's share of the premium (made out to Treasurer, State of Iowa) to be forwarded to the agency's human resources associate. At the end of the four-month period, employees may continue health insurance coverage by paying the entire premium (both the State share and the employee share).

When the date of injury is prior to the 16th day of the month, that month will count as the first month of the four-month period.

6.20.12 Termination and Recall

In some cases employees will be unable to return to their previous position because they are unable to perform the essential functions of their position. Termination of employment would be an option at that point. However, the employing agency and the injured worker are encouraged to pursue the mutually beneficial goal of continued employment.

Employees who have been terminated or who have permanent restrictions that cannot be accommodated in their previous position will be eligible for recall. Recall will be in accordance with Iowa Administrative Code.

6.20.13 Leave of Absences and Workers' Compensation

Receiving workers' compensation benefits alone does not maintain employment status. Employees must be on some form of leave at all times to maintain their employment status. Under workers' compensation, this means the employee must supplement workers' compensation benefits, as described above, or request leave without pay. The employee off on workers' compensation should consider these factors when deciding whether or not to supplement. General guidelines to follow include:

- All leave without pay (LWOP) must be consistent with contractual and DAS-HRE rule provisions, including withholding approval until sick leave is exhausted.
- After 90 days of LWOP, an evaluation will be made to determine the potential to return to work. Employees who receive an indefinite prognosis, or are not reasonably expected to return to work will need to consider recall and/or long-term disability.

6.20.14 Family and Medical leave Act (FMLA)

FMLA provides 12 weeks of leave to take care of personal or family medical needs, along with some other related issues, such as adoption. Therefore, lost time due to workers' compensation may also qualify as FMLA leave. Refer to the FMLA policy in effect for your department.

6.20.15 Handling Medical Information

The employer needs to know the nature of the injury and how the injury affects the employee's ability to perform their job. Detailed clinical notes, treatment plans, or other information that might be received by the employer should be treated as confidential, and should be forwarded to Sedgwick CMS as soon as possible. Any medical information deemed necessary to maintain by the employer must be kept separate from personnel files in a manner to protect the confidentiality of the information.

6.20.16 Instructions for Submitting Claims Information to Sedgwick CMS

First Report of Injury or Illness

The First Report of Injury or Illness is a form prescribed by the Workers' Compensation Division of the Iowa Department of Workforce Development. You can logon to <https://sedgwickcms.claimcapture.com/>. Please refer to 6.20.02 for instructions on filing of the First Report of Injury.

Note: Do not delay the transmission of the First Report of Injury to Sedgwick CMS. If some information is not immediately available, such as police reports or witness statements, it may be sent when it becomes available.

Wage Statement

For all injuries resulting in lost time, a verification of the 13 weeks prior to the injury date is required. Please use the following guidelines for wage verification:

- If paid hourly, show the hourly rate paid, number of hours worked at straight time, number of overtime hours worked, and gross pay.
- If the employee is salaried, advise of the salary rate.
- If the employee is paid a shift differential, note the base hourly rate and provide the amount of the shift differential.

This form can be accessed by going to the Forms Referenced in This Chapter area of the index to this chapter.

Election of Benefit Form

This document must be forwarded to the agency's human resources associate and Sedgwick CMS within three days of the date of injury to assure that DAS can determine what accrued benefit, if any, has been authorized by the employee to supplement their workers' compensation. Please fax due to time sensitivity.

This form can be accessed by going to the Forms Referenced in This Chapter area of the index to this chapter.

Travel Reimbursements

All requests for mileage, lodging, meals or other reimbursements must be submitted to Sedgwick CMS for payment. They may be faxed or mailed.

This form can be accessed by going to the Forms Referenced in This Chapter area of the index to this chapter.

Original Notice and Petition

Employees may make an appeal relating to various issues of their workers' compensation claim. In some cases, an Original Notice and Petition may be filed by an employee or their legal representative. **These petitions are time-sensitive and should be forwarded immediately to Sedgwick CMS.** Please fax the

document to SCMS and send the original to them by mail. It is appropriate and advisable to keep a copy at the agency for backup.

Please use this same procedure for all other legal notices or requests for information relating to workers' compensation. However, be aware that some requests or portions of a request for information involving personnel records and payroll information will need to be handled at the agency.

6.20.17 Contact Information

For all claims related inquiries, please contact:

Sedgwick Claims Management Services, Inc.
4200 University Avenue, Suite 317
West Des Moines, IA 50266

Main Phone: 515-327-4888
Toll Free: 866-342-3920
Fax: 515-327-4899
After Hours New Report Call Center: 866-222-8768
(use only for new claims requiring medical treatment)

For all claims documentation, please send to:

Sedgwick CMS
P.O. Box 14628
Lexington, KY 40512

The Iowa Department of Administrative Services – Human Resources Enterprise is responsible for the overall administration of the program. Questions or comments about the program should be directed to:

**Iowa Department of Administrative Services –
Human Resources Enterprise**
Attn: Workers' Compensation Bureau
Hoover Building
1305 East Walnut
Des Moines, Iowa 50319-0150

Phone: 515-281-4513
Fax: 515-242-5157

6.20.18 Workers' Compensation Provider List

A list of Workers' Compensation medical providers is available at <https://das.iowa.gov/human-resources/employee-and-retiree-benefits/employees/additional-benefits/workers%E2%80%99-compensation-0> . These providers must be utilized in all non-emergency cases where it is reasonable for the initial assessment and treatment of injuries and illnesses suspected to be work-related. The list is subject to change. Contact Sedgwick CMS for updated information or to discuss special situations.

Note: In all cases, if a life-threatening situation arises and there is doubt as to whether a condition is work-related or a personal medical crisis, access the emergency 911 system to get immediate help. Liability issues will be resolved at a later time.